GULFCO MARINE MAINTENANCE SITE RI/FS AND REMOVAL UPDATE,

FREEPORT, TX: Most of the liquids have been removed from the tanks. Panels have been cut and removed from Tank #10 and 18 to provide access for tank cleaning. One trailer load of material was rejected by Clean Harbors due to high viscosity material in the bottom and was returned to the site. This material will be solidified/mixed with solid materials from other tanks prior to disposal. Fly ash has been brought to the site for solidification of the viscous liquid materials. Monitoring of the tank atmospheres is continuing on a periodic basis. Hydraulic shears are expected to be mobilized this week to begin tank demolition. According to the terms of the removal Consent Order, the field work is to be completed within 90 days of the effective date, or by January 27, 2011. The PRP submitted the final Preliminary Site Characterization Report on December 1, 2010, and EPA and TCEQ are completing their reviews now. EPA's contractor is working on the EE/CA for sediment hot spots and cap repair with a site inspection planned for next week. A meeting with the Gulfco Respondents and TCEQ was held on December 1, 2010, in Austin to discuss the toxicity testing results and the Baseline Ecological Risk Assessment requirements. Gary Miller 214.665.8318